

PAROWAN CITY COUNCIL MEETING
APRIL 14, 2016
PAROWAN CITY OFFICE, 35 E. 100 N., 6:00 P.M.

MEMBERS PRESENT: Mayor Donald G. Landes, City Councilwoman Vickie Hicks, Councilmen Alan Adams, Ben Johnson, Jay Orton, Steve Thayer, City Attorney Justin Wayment, City Manager Shayne Scott, City Recorder Callie Bassett

MEMBERS ABSENT: None

PUBLIC PRESENT: Jim Shurtleff, Chuck & Dottie Stade, Nancy Dalton, Stephanie Barnett, Linda Lowder, Emily Johnson, Tyler Uresk, Cole Robb, Michael Harris, Von Mellor, Janice & Ted Steffensen, Cassi Orton, Brenen Rowley, Joleen & Kevin McClellan, Kelly Stones (Public Works Superintendent), Kristen Robinson (City Librarian), Ken Carpenter (Parowan Police Chief), Judy Schiers (City Treasurer)

CALL MEETING TO ORDER: Mayor Landes called the meeting to order at 6:00 p.m.

OPENING CEREMONIES, THOUGHT/PRAYER, & PLEDGE OF ALLEGIANCE: Mayor Landes offered an invocation. He then led the Council and the public in the Pledge of Allegiance.

DOES ANYBODY HAVE ANY CONFLICTS OR PERSONAL INTEREST IN ANY MATTER ON THE AGENDA WHICH NEEDS TO BE DECLARED? No conflicts were declared.

PUBLIC HEARING

OPENING OF THE FISCAL YEAR 2016 BUDGET: Mr. Scott explained that the City is making some adjustments to the FY16 budget so that it stays within the required parameters. There were no comments from the public.

CONSENT MEETING

APPROVAL OF MINUTES (MARCH 24, 2016 CITY COUNCIL MEETING)
PURCHASE ORDER/WARRANT REGISTER
ARBOR DAY PROCLAMATION – APRIL 30, 2016

Councilman Adams moved to approve the consent agenda. Councilman Thayer seconded the motion. Councilwoman Hicks pointed out a typo in the minutes. The word “quality” should be changed to “qualify”. The Council voted in favor of the motion with the stated correction to the minutes. The motion carried.

There were no purchase orders for this meeting.

ACTION MEETING

OPENING OF THE FISCAL YEAR 2016 BUDGET:

Councilman Thayer moved to open the budget. Councilman Adams seconded the motion. Councilman Thayer had some questions about the budget. He asked about the land purchase at the airport, where the funds are coming from and how long the turn-around time is to be reimbursed from the FAA. Mr. Scott said they haven't dealt with this large amount of money before, so he will have to get clarification from the FAA on how this will work. Mr. Scott did say that it takes around 90 days for funds to be put in place and 30 days to close.

Councilman Thayer asked about the chip seal machine (this has already been purchased), the numbers in capital outlay (this includes the New City Office Project) and the Mayor and Council wages budget lines (these wages are dispersed between different funds depending on where the council member serves.)

Councilman Thayer also asked about the Class "C" budget. He said the numbers went from \$195,400 to \$315,400. He asked how that was happening. Mr. Scott said that line 106130, "Repairs to Roads", went from \$65,400 to \$185,000. This is budgeting for the energy tax (that currently goes to the power department) to go into the general fund. If that is not approved, we don't spend this money.

Councilman Thayer's last question was regarding the theater budget. He said it didn't look like the theater was going to reach their budget and asked if some of that money might be put towards some permanent storage for the theater. This is a big concern for the theater board. Mr. Scott said he is having a storage meeting on Monday and will discuss possible options.

Councilwoman Hicks asked about the gravel for the dog pound. Mr. Kelly Stones said it just needs to be purchased. Mrs. Hicks said they want to make sure it is done in this fiscal year.

Councilman Thayer amended his motion to state that he moves to approve the opening of the FY 15-16 budget. Councilman Adams seconded the motion. All Council members voted in favor of the motion. The motion carried.

EAGLE ROCK ROAD ACTION:

Mr. Steffensen spoke with County Commissioner Alma Adams and County Engineer Steve Platt and proposed to them that the County chip seal the road in front of the Eagle Rock subdivision. The county is on board with this, and will chip seal, finish and widen the road from 200 South to Highway 91 for \$70,000. The road will also be brought up to county specs.

Mr. Steffensen said they got two new building permits and in doing so discovered that waiving the connection fees will not be enough to make this deal work.

Mr. Scott said he has spoken to staff about waiving the impact fees. The staff learned that if you waive the impact fees for one, you have to waive them for everyone. This is a really bad idea. Attorney Wayment added that impact fees are audited every year, and we would get hammered

by the auditors if these funds were used. This would be taken to the state level, and the City could get into big trouble.

Mrs. Steffensen said that waving 100% of the connections fees would bring them up to \$27,000. She wondered about receiving impact fee credit for park impact fees since they have a park in their PUD. Mr. Wayment said he would need to look into this.

Mrs. Steffensen said if the City would waive its connection fees and then pay the balance of the \$70,000 that would be less money that the City would need to come up with. Mayor Landes said we need to do more research into this to get ourselves in a legal position that would be appropriate.

Councilman Johnson said it is difficult for him to see the City pay the balance when the City's roads are in such need of repair. He said the money has to come from some place, and this would take away from existing roads that we already have that are not in the greatest shape. He said we need to take care of what we have before pushing forward with others. He said he wouldn't be opposed to adding additional money to the connection fees to reach the \$35,000 mark. This would be meeting the Steffensens somewhere in the middle. He said he realizes this wouldn't be paying for the road for them, but they are benefiting from this too, as is the City. He said he thinks the Council can see the benefit on both sides. But he feels this option is a lot more viable to help get the project started than to try to get the additional funds to reach \$70,000.

Jay Orton arrived at 6:48 p.m.

Mr. Steffensen said the Council has to realize he is spreading this project out over several years, but he has to pay the money up front. He said there is going to be interest going against him. Mr. Steffensen said he doesn't want to put \$35,000 into this if the City is only going to meet him half way. He said that isn't worth it to him. He said he is putting in 35 more houses that will bring property taxes and gas taxes to the City. He feels the City should do more.

Councilman Thayer asked if maybe \$15,000 could be taken from the FY16 budget and \$15,000 from the FY17 budget. That would be a little bit more than what was previously suggested. Councilman Johnson said the roads we have now are in such bad shape. They would be taking money from the existing roads to put in a road for a new subdivision. He said he understands there are some benefits there, but people in town have been paying taxes for years and the City isn't taking care of their roads.

Mr. Stones said he is all for putting that road in, but he needs his Class "C" money to take care of the roads we have already. He said he is already going to be spending \$10,000 on materials for the prep work on the road for the county to come in and chip seal.

Mr. Wayment said one option might be for the City to use park impact fees to purchase the park out there. The City isn't willing to build that park out there right now, but could develop it eventually when it would be justified. He will look into this.

Mr. Kevin McClellan wondered about doing a special improvement district. Attorney Wayment said this is regulated by state code and he would need to look into how the taxes would need to be assessed. He also said that a special improvement district takes a long time to form. It would not take place this year.

Councilman Johnson moved to take this item back to a work meeting. Councilman Thayer seconded the motion. All Council members voted in favor of the motion.

CENTER CREEK CHANGE ORDER #10 – SUNRISE CONTRACT SERVICES:

Councilman Johnson said he is not opposed to this change order if it provides Mr. Von Mellor with the service that he needs. But if this is because of estimating incorrectly, he feels the contractor should share a part of this cost. Mr. Scott said that the remaining work that needs to be done cannot be done in house and needs to be done by the contractor.

Councilman Johnson moved to approve the Center Creek Change Order #10 to Sunrise Contract Services. Councilman Adams seconded the motion. All Council members voted in favor of the motion. The motion carried.

CENTER CREEK CHANGE ORDER #11 – VALVE INSTALLATION:

Mr. Von Mellor said this is for the inspection of the installation of the valve by a factory representative to make sure the valve is working correctly. He will also train the electric department on the operation of the valve.

Councilman Johnson moved to approve the Center Creek Change Order #11 in the amount of \$3,930.00. Councilwoman Hicks seconded the motion. All Council members voted in favor of the motion. The motion carried.

RESOLUTION 2016-04-01, SUPPORTING IRON COUNTY BALLOT INITIATIVE REGARDING HB 362:

Councilman Orton said there are a few corrections that need to be made on the resolution. He asked if this is a universal document that needs to be adjusted. Mr. Scott said this document came from the Utah League of Cities and Towns. He will make the corrections. Mr. Orton pointed out the corrections that need to be made.

Councilman Adams moved to approve Resolution 2016-04-01. Councilman Orton seconded the motion. A roll call vote was taken as follows:

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Councilman Thayer	X			
Councilman Orton	X			
Councilwoman Hicks	X			
Councilman Adams	X			
Councilman Johnson	X			

Resolution 2016-04-01 was approved.

IRON COUNTY BUILDING DEPARTMENT AGREEMENT:

Mr. Scott said this is an agreement with the Iron County Building Department that states they will not charge the City for city projects. They are interested in doing this agreement so they don't have to address this on a case by case basis.

Councilman Thayer moved to approve the Inter Local Cooperative Agreement between Iron County and Parowan City for Building Inspection Services. Councilwoman Hicks seconded the motion. All Council members voted in favor of the motion. The motion carried.

LAND PURCHASE AGREEMENT WITH CNC PARTNERSHIP:

This is for the airport land purchase. The land owners have signed their portion of the agreement. They are waiting for Council approval and the Mayor's signature.

Councilwoman Hicks moved to approve the land purchase agreement with CNC Partnership. Councilman Orton seconded the motion. All Council members voted in favor of the motion. The motion carried.

WORK MEETING

PATCHWORK PARKWAY ANNUAL REPORT – NANCY DALTON / MAYOR DEUTSCHLANDER:

Mayor Deutschlander said he and Mrs. Dalton are here begging for dollars to keep the Utah Patchwork Parkway going. The substantial funding they have received in the past from federal and state travel agencies is drying up. Mayor Deutschlander has completed his two terms on the Utah Patchwork Parkway and a new chairman will be appointed to succeed him. He feels the Patchwork Parkway has been very successful in the past. The States are now going to have to find a way to stand on their own.

Nancy Dalton, Executive Director of the Patchwork Parkway Committee and member of the State Scenic Byway, reported on the following:

- The National Scenic Byway Program
- Utah State Scenic Byway Program
- Interpretive & Signage Master Plan and Sign Implementation Project
- Marketing
- 2015 MAP-21/TAP Grant Projects
- 2016 Byway Projects
- Funding Request for Upcoming FY2016-17

A complete copy of Mrs. Dalton's report is available in the Council packet in the Parowan City Office.

Councilman Johnson thanked Mrs. Dalton and the committee for all their hard work.

EVENTS/VISITOR CENTER REPORT – JET SMITH: Mrs. Smith asked to be excused this evening. She had to go to SLC for half marathon expo.

FY 2017 GENERAL FUND BUDGET DISCUSSION:

Mr. Scott said this is the first meeting of several regarding the budget for FY 2017. He said he has plugged everything in to the budget from all of the budget hearings. The general fund is looking good. The last fund balance was about \$350,000. Mr. Scott pointed out that this balance needs to remain within 5%-25% of the general fund budget, or between \$100,000 and \$500,000. There is some cutting that needs to be done (\$60,000). Document WM 17 is a spreadsheet of items that the different department heads requested for FY17 during their budget hearings. These are items that don't occur every year. They are mostly a one-time cost.

There was a discussion regarding the School Resource Officer (SRO.) There would be an additional police officer added to the Parowan Police force who would serve as the SRO. Mr. Scott said to keep in mind that 50% of the expense for the SRO would be paid by the school district.

Mayor Landes said he would really like to find a way to do this. Councilman Johnson said he feels it is really important for the SRO to be part of this community and he is very supportive of this idea.

Parowan High School Principal Roy Mathews said in his three years as principal, they have already had a level one lock down, which means there is a potential shooter within 500 feet of the school. He said that the presence of an SRO is very valuable. Because of the size of the school, he doesn't have an assistant principal. He utilizes the SRO in a lot of ways and can't stress enough the importance of having one in the school.

Councilman Johnson declared a conflict of interest. He is on the community council at the high school. He said having an SRO at the school is very important to the community council.

Councilwoman Hicks also declared a conflict. She substitute teaches at both schools. She asked Chief Carpenter who would hire the SRO. He said he would do the hiring. He said the interviewing has already been done and a candidate chosen. Chief Carpenter also said that Sheriff Gower would be happy for Parowan to take over the SRO.

Mr. Scott went through the rest of the budget requests. The following items were changed:

- Councilman Johnson asked if we could hold off another year on the mower (-\$15,000).
- The impeller has already been purchased this fiscal year for the pool (-\$3,000).
- Mr. Scott suggested lowering Class C to \$80,000 (-\$20,000).
- Mrs. Hicks suggested purchasing the exhaust fan in this fiscal year (-\$8,000).

Mr. Scott said these decisions don't all have to be made this evening. He will keep this as a working document and the Council can revisit this before the approval of the budget.

FY 2016 POWER DEPARTMENT DONATION DISCUSSION:

Mr. Scott said that the TARP Committee talked about this for quite some time. If this needs to be done this fiscal year we need to move forward. Councilman Johnson had several suggestions:

- a skate park
- basketball courts with ability to string tennis net/volleyball net, sport court surface
- bike paths

Mr. Scott suggested that staff start putting together some costs for these different suggestions and bring them back to council, including improvements on the pool.

ENERGY TAX DISCUSSION:

Mr. Scott said the energy tax is currently going to the Power Department. The idea is to have the energy tax go into the general fund. This is in line with what other cities are doing. Mr. Scott said we are still making substantial transfers from the Power Department to the General Fund. We have been making an effort to reduce those transfer amounts each year in an effort to wean the general fund off of those transfers. Councilman Johnson would like to see this continue so that there are eventually no such transfers.

This item will be moved to the next action meeting.

ANNUAL EMPLOYEE MERIT/COLA:

Mr. Scott wanted some direction as to whether the Council wants to put together a plan for merit and cost of living adjustment (COLA) increases for Parowan City employees. He feels that looking at the COLA index every year is a good thing to see if the Council wants to match any COLA increase.

The merit increase is another issue. This has been done periodically, but Mr. Scott feels that having a system in place would be more beneficial. He wanted to get feedback from the Council on this.

Councilman Johnson said he thinks it is better to increase a little each year than a lot at one time. With the COLA increase, he said the City needs to be able to replace employees when necessary. This makes it critical to evaluate employees regularly to make sure employees aren't just floating. You don't want to reward people for poor performance. Councilman Johnson said he is more for merit increases than COLA increases, but you have to account for the cost of living.

Merit increases are based on a grading or evaluation process to determine if a raise is deserved. Employee position wages are also compared to similar positions in other towns of Parowan's size to make sure we are on track with those wages.

Councilwoman Hicks asked Mr. Scott if he would look at other towns of Parowan's size and see if they have systems in place for giving raises. Councilman Johnson asked Mr. Scott to get a hold of NACUBO data and utilize it.

LIBRARY TAX DISCUSSION:

Mr. Scott said that when this item was put on the agenda, the context was completely different than it is now. The County said they were getting rid of the county library tax. Now they have decided to keep it. Mr. Scott said it is a complete mess. Mrs. Kristen Robinson, Parowan City Librarian, said that the County is going to keep it for now and do an inter-local agreement with the details of how the tax will be divided. Mr. Scott stated again that this is really a mess right now.

Councilman Orton asked how this will affect the library's operations. Mrs. Robinson said it won't affect it. She feels that if anything Parowan will receive more money, not less because of the way it was explained to her.

MEMBER REPORTS:

Councilman Johnson reported that the Economic Development Committee is interested in bringing more baseball tournaments into town. Parowan is getting a couple of Utah Summer Games events this year and he is excited about that. The Youth Council meeting was cancelled today. Their T-shirts are printed. They say "Straight Out of Parowan" and are ready to sell.

Councilman Adams reported that the Road Committee met and drove around on the roads and saw where they need work. They have the crack seal machine and are going to try to work in Maple Springs and the Still Water subdivisions. There is the issue of the cross gutter out by the Crimson Hills Motel. They are going to try to start working at 400 W. and 500 W. Also, up City View Drive by the cemetery there is some pretty bad damage that needs to be taken care of. There are also some bad pot holes at 500 N. and Main. He said if the Council can think of any other areas that need to be addressed, they would be happy to look at them. Councilwoman Hicks suggested looking into a CIB loan to take care of the roads.

Councilwoman Hicks reported that they had their first Chamber meeting at the new visitor center. The car show is going to be June 4th. They are looking at doing a Friday night event. Jerry Bixman was the representative on Patchwork Parkway Committee. He isn't going to be able to do that anymore. No one was able to commit to taking his place.

Councilwoman Hicks also reported that the Historical Committee met with Jason Green. They have starting demolishing the Rufus Building. The committee approved the new design for the building. They also approved new signage for the Wells Fargo building. The Planning Commission also met and discussed the new housing proposal off of Highway 91. There are some real concerns about the roads and the drainage out there. They also approved a home occupation license. They approved a lot line adjustment. The committee is currently looking at changing/re-doing several ordinances, one of which is the signage requirements for home based businesses.

Councilman Orton missed the Shade Tree Committee meeting last week because he was out of town for work. He said, as Mr. Scott mentioned, the City has applied for some money for the penstock trail to get that trail going. There will also be a ground breaking ceremony in the near future for the water tank trail.

Councilman Thayer met with the theater board and reported that the Common Wealth School is going to rent the theater and will be putting on a Shakespeare play April 25th -30th. Mr. Steve Decker is talking about doing an Edgar Allan Poe play in the fall. This summer (June -July) there will be movies at the theater for kids.

Councilman Thayer reported that the Patchwork Parkway Byway has been named one of 16 most beautiful drives in the country. Councilman Thayer has information on a branding seminar for anyone interested.

Councilman Thayer also reported that in the Water Board meeting, they discussed the fact that the PI fund has been audited and it has come up short. It has been short for several years and now we are in a little bit of trouble. The board is considering asking the Council to raise the pressurized irrigation rates. They feel they may need to be increased by 35%. This is something that needs to be addressed. Mr. Thayer said the New Well is supposed to be online, working and functioning by Memorial Day. Also, there is a lot of old equipment up by the Main Canyon well that needs to be cleaned up.

PUBLIC COMMENT & DISCUSSION – TWO MINUTE LIMIT EACH: There was no public left to make any comments.

Mayor Landes said that the grand opening of the Mountain Lodge will be April 21st at 11:00 a.m.

ADJOURN: Councilman Johnson moved to adjourn the meeting. Councilman Adams seconded the motion. All Council members voted in favor of the motion. The meeting was adjourned at 8:45 p.m.


Donald G. Landes, Mayor
Callie Bassett, City Recorder